

HEBER PUBLIC UTILITY DISTRICT UTILITY SERVICE POLICY

SUBJECT: UTILITY SERVICE POLICY

POLICY NO: 3510

EFFECTIVE DATE: SEPTEMBER 20, 2013

PURPOSE:

The intent of this policy is to provide uniform standards of service for the Heber Public Utility District. Implementation of this policy will help in effective management of the Heber Public Utility District services.

POLICY:

I. DEFINITIONS

For the sole purpose of this policy, the terms and expressions listed below shall have the meanings set forth opposite them:

Applicant: Any person, public or private association or corporation, partnership, unincorporated association, entity, or governmental agency requesting the HPUD to supply water, sewer or trash service.

Application: A request to HPUD for water, sewer or trash service.

Billing Period: The time interval between two consecutive meter reading dates used for billing purposes.

Board: The Board of Directors of the Heber Public Utility District

Charges: The various charges specified through this Policy, as determined from time to time by the General Manager.

Consumption: The amount of water used as measured over a given period of time.

Capacity Fees: A mechanism by which users who create new or additional demand on the water and sewer system can pay for the cost of the facilities required to serve them and to achieve equity in distributing costs.

Cost: The actual cost to the HPUD including all labor, material, supplies, equipment, and miscellaneous items together with any applicable indirect and general charges in accordance with the accounting practices of the HPUD.

Customer: Any person, public, or private association or corporation, partnership, unincorporated association, entity, or governmental agency supplied with water, sewer or trash service by the HPUD, or requesting the HPUD to supply utility services or service connection or changes in utility service, in accordance with established rates and charges.

District: The Heber Public Utility District also referenced in this document as HPUD

Master Meter: A meter used for billing purposes serving a group of otherwise unmetered dwelling units or other establishments or a group of subordinate meters.

Meter: A devise used for the measurement of water quantity for billing or other purposes.

Metered Service: Water service for which charges are based on measured quantities of water.

Minimum Charge: A fixed charge for water, sewer or trash service per month or multiple or fraction thereof; the smallest charge a Customer may receive under any given rate schedule.

Service: The term water, sewer or trash service includes; the availability of water to the Premises through HPUD water treatment and distribution facilities; the collection of sewer through HPUD wastewater treatment and collection facilities; and collection, transportation, recycling, and disposal of solid waste and construction debris from premises by an HPUD authorized contract service provider.

Service Connection Charge: A charge for a new water, sewer, or trash service account, a change in name on an established account requiring a closing bill, or a new meter added to an established account.

Service Point or Point of Delivery: The point where the service connection facilities of the HPUD are connected to the facilities of the Customers.

Sewer Service Connection: A sewer service connection consists of the pipe or tubing, fittings, valves, and related facilities necessary to conduct sewer from the Premises to the sewer main.

Sewer Service Charge: A charge imposed by the HPUD for the receiving, transportation, pumping, treatment, and disposal of sewage through the sewer system.

Trash Service Charge: A charge imposed by the HPUD according to the Exclusive Franchise Agreement with the waste hauler for the collection, transportation, recycling, and disposal of solid waste and construction debris and for providing temporary bin/roll-off services.

Utility: For the purpose of this document, utility shall include water, sewer, and solid waste service. Said services may be provided by the Heber Public Utility District or provided by a contractor who provides the service.

Water Service Connection: A water service connection consists of the pipe or tubing, fittings, valves, and related facilities necessary to conduct water from the distribution main to the meter.

II. APPLICATION FOR SERVICE

General.

- 1. Each prospective Customer, or agent of the Customer, shall apply for the service desired, establish credit as required by this Policy and pay a new account charge.
- 2. If the application for service is for an existing service connection, the application may be made in person at the HPUD office or by mail, or the Internet.
- 3. If the application for service is for a new service connection, or for a change in service location, size or meter, the owner or authorized agent of the property to be served shall make written application to the HPUD office.
- 4. The Applicant for new service connection shall include the desired location and size of service pipe and meter, fixtures to be supplied or quantity of water required in gallons per minute, the use or class of occupancy of the premises, the area to be supplied, and any other information which shall aid the HPUD in providing adequate service.
- 5. Applications for fire service shall include any special requirements of the Fire Department or the property owners, County of Imperial or other jurisdictions.
- 6. Applicants for new development water connections, desiring to connect to HPUD's water system shall receive written certification from the Imperial County Fire Chief or his/her designee that the proposed improvements in any new development meet the adopted fire protection standards adopted by the District OR that the development project incorporates significant mitigation to address fire protection services. The Application for new service connection will not be approved by the HPUD office until the certification has been received by the Applicant. The cost of any improvements to meet fire requirements, as requested by the Imperial County Fire

- Department or to meet the adopted standards of the HPUD shall be borne by the Applicant.
- 7. Fire service water lines proposed to be operated within private property shall be assessed additional charges and be restricted for fire protection purposes only. A reasonable assessment charge shall be collected by the HPUD monthly. Dedicated separate fire service meters continue to be subject to the adopted fees and rates based on the amount of water consumption. The HPUD is not responsible for the operations, maintenance, repair and/or replacement of private fire water lines on private property. Private water lines shall not be connected to the HPUD pipelines without first receiving approval from the HPUD.
- 8. The HPUD shall not be responsible for inadequate or improper installations resulting from lack of information in the application.
- 9. In the event the Customer is a corporation, the HPUD considers the Customer to be the corporation as it exists at the time of the application for service. Any change in ownership of the corporation shall be deemed a termination of service and a request for new service must be submitted. Continuation of any deposits on file with the HPUD shall require the consent of the previous owner. Failing such consent, a new deposit will be required.
- 10. In the event the Customer is a partnership, the HPUD considers the Customer to be the partnership as it currently exists. A withdrawal or change in partnership shall be deemed a termination of service and a request for new service and a new deposit will be required.
- 11. In the event the Premises at which the Customer is receiving service is a leased Premises, any transfer of the lease, voluntary or involuntary or by operation of law, shall be deemed a termination of service and a request for new service and therefore is subject to the provisions of this Policy concerning new service and termination of service including the establishment of credit.
- 12. In the event the application is for master-metered residential service, unpaid bills are deemed to be the responsibility of the property owner in that this service constitutes a special benefit to such property. A public or private auction sale resulting from a foreclosure results in the purchaser being deemed the HPUD's Customer from the date of the auction purchase.
- 13. As a condition of service and continuation of service, any corporation, partnership, or Customer subject to the provisions of this Policy, or to which the provisions of this Policy become applicable, shall notify the HPUD in writing in advance of such event. Failure to notify the HPUD shall be grounds for immediate termination of service.

- 14. The application is a request for service. It does not, in itself, require the HPUD to serve the Customer nor does it require the Customer to take service if the application is accepted, for a period longer than the minimum period required under the rate Ordinance. The HPUD's refusal to serve shall be based upon this Policy, and service at any time shall be rendered only under reasonable conditions and in accordance with this Policy.
- 15. All services of the HPUD are supplied with the understanding that the Applicant agrees to abide by the Policy and the Rate Schedules of the HPUD as they now exist or as they hereafter may be amended.

Information to be Furnished by Applicant

All Applicants must complete the required HPUD application form as may be modified from time to time by the General Manager. The applicant must provide the following information:

- 1. Name of prospective Customer, Business Name, Property Owner and/or agent, if applicable.
- 2. Date of application.
- 3. Location of Premises to be served.
- 4. Date service is desired.
- 5. Purpose for which service is to be used.
- 6. Prospective Customer's mailing address.
- 7. Prospective Customer's mailing address shall be the address for receipt of notices unless the Customer specifies, in writing, another address for notices.
- 8. If the Prospective Customer wishes to receive the HPUD bill via email, and if yes, the email address.
- 9. Whether the prospective Customer is the owner or tenant of the Premises to be served.
- 10. For master-metered residential service name, address, and telephone number of property owner, or property manager, if other than the Customer of record.
- 11. Such other information as the HPUD may reasonably require.
- 12. Signature of prospective Customer, property owner, or agent.

III. SERVICE CONNECTION CHARGE

A Service Connection Charge shall be established from time to time by the General Manager and shall be collected from each Applicant for a new water, sewer or trash service account, a change in name on an established account requiring a closing bill, or for each new meter added to an established account.

IV. TYPE OF SERVICE REQUIREMENT

Water and Sewer

The HPUD's requirements for the type of water and sewer service desired must be met before an application will be approved. If the water and/or sewer main, Service Connection, or meter required for service to the Premises has not been installed and/or paid for, the Applicant will be informed of the terms and conditions which must be met before an application for service will be approved.

Trash/Solid Waste

The HPUD has entered into an Agreement that grants an exclusive solid waste collection franchise for the collection, transportation, recycling, and disposal of solid waste and construction debris and for providing temporary bin/roll-off services in residential, commercial, construction, and industrial areas with the Heber Public Utility District.

V. FAILURE TO PAY CHARGES OWED AS FORMER CUSTOMER

When an application for service is made by a former Customer who has failed to pay charges owed to the HPUD, service may be refused until such charges are paid and Customer establishes credit as required by HPUD.

VI. USE OF UTILITY WITHOUT APPLICATION FOR SERVICE

Any person, persons, association, corporation or entity using water or sewer services without making proper application for service shall be responsible for all charges for the service. The amount of such charges shall be determined by the HPUD either by service fees, meter reading or on the basis of the estimated consumption for the time the service was used. Liability for charges due is in addition to any other civil or criminal penalty authorized by law.

When the HPUD finds that water and/or sewer services are being used without proper application for service or Service Connection, the service may be discontinued without notice.

VII. SPECIAL INFORMATION REQUIRED ON FORMS

Customer's Bills

Information printed on all regular bills for water, sewer and/or trash service will include the following:

- 1. Information that bills for service, except as provided otherwise in the rate ordinance, are due and payable upon issuance and shall become delinquent 19 days after the date of issuance.
- 2. A statement, as provided for in the rate Ordinance, to read as follows: "If bills are not paid upon becoming delinquent, the HPUD may impose a Late Payment Charge and/or discontinue the service in accordance with applicable law or HPUD Policy."
- 3. A statement describing the disputed bill procedure.
- 4. Information concerning the rate schedule or code number under which water, sewer and trash service is billed.
- 5. Any other statement required by law.

Final Notice

In addition to the information specified above, information printed on each Final Notice will include the following:

- 1. Information to the effect that a charge will be assessed on the 20th day after the bill was issued.
- 2. A statement to the effect that the bill is past due and must be paid on or before 4:30 p.m. of the date specified.
- 3. A statement to the effect that if payment is not received, service will be discontinued without further notice.
- 4. A statement to the effect that if service is discontinued, payment of a reconnection charge will be required.
- 5. Master-Metered Residential Services:
 - a. A statement to the effect that HPUD covenants provides for utility liens as an alternative to service discontinuance for delinquency where residential service is provided through a meter serving more than one single-family accommodation. This statement can be printed on (or included with) the bill, unless the method of notification is specifically provided for by law, or this Policy.

6. Any other statement required by law.

Discontinuance of Service Notices

Information printed on each discontinuance of service notice will include the following:

1. Multi-Family Dwellings

- a. A statement to the effect that water service is provided through one meter serving all residents at the address shown, that bills for service have not been paid, that current unpaid bills remain the responsibility of the current Customer and that service will be shut off unless the bills are paid or arrangement are made for future service.
- b. Methods of arranging payment for future service to actual users who are not the HPUD's Customer.
- 2. A statement to the effect that the service has been discontinued for failure to pay the bill.

VIII. ESTABLISHMENT AND REESTABLISHMENT OF CREDIT

Establishment and Maintenance of Credit by Deposit

Unless the guaranty is required by this Policy, each Applicant's credit shall be deemed established and thereafter maintained until any bill rendered by the HPUD for service has become delinquent or until information is obtained which indicates that the Customer's credit has been impaired.

Each Applicant for water, sewer or trash services may be required to furnish and maintain a satisfactory guarantee, by deposit, for payment of charges in connection with such service, where it appears to the HPUD that the Applicant's credit is insufficient to assure payment of any such charges as they become due.

If the Premises at which the Applicant is establishing service is a leased Premise, for any customer classification, the Applicant will be required to furnish and maintain a satisfactory guaranty, by deposit, for payment of charges in connection with such service. The deposit will be fixed in an amount according to this Policy.

Whenever it is deemed necessary because of delinquency in payment, or otherwise, that the Customer be required to reestablish credit, the HPUD will mail or deliver to the Customer a suitable written notice.

Reestablishment of Credit

Any Customer may be required to reestablish credit in any of the following cases:

- 1. If Customer's deposit has been applied, in whole or in part, to the payment of any bill or bills for service;
- 2. If the Applicant was a water, sewer and/or trash Customer of the HPUD and service was discontinued for cause:
- 3. If the Customer's credit has not been maintained as required by this Policy; or
- 4. If, for any reason, the guaranty furnished by the Customer becomes inadequate under the provisions of this Policy;
- 5. If a Customer must reapply for service under provision of this Policy;
- 6. If a Customer owns master-metered residential property which, within the last two years, had an application for lien and/or a lien for public utilities filed against that property while owned by the Customer.

IX. DEPOSITS

Amount of Deposit

Where the Applicant or Customer is required to make a deposit, pursuant to this Policy, either for guaranteeing payment of charges for service or for reestablishment of credit, the amount thereof shall generally not exceed a sum equal to the average bill for service as estimated for two billing periods. The deposit shall not be less than a minimum amount to be determined from time to time by the General Manager.

Disposition of Deposit

When a Customer has furnished a deposit to guarantee payment of HPUD bills, and service has been terminated, such deposit will be refunded to the Customer after deduction of any unpaid charges or indebtedness due to the HPUD.

X. NOTICES

Notices from the HPUD to a Customer

When notices from the HPUD to a Customer are required, they will normally be given in writing, either mailed to the address specified by the Customer for the receipt of notices, or delivered to the service address, except that in emergencies the HPUD may give oral notices. Required written notices will either be mailed to the address specified by the Customer for receipt of notices or delivered or mailed to the service address, or in the

case of master-metered residential accounts, mailed to the property owner as identified on the latest equalized tax roll at the address listed for mailing of the tax bill.

Notices from Customer to the HPUD

Notices from a Customer to the HPUD may be given in writing mailed to our business office or may be given orally by the Customer or agent of the Customer at our business office or by phone except when written notice is specifically required by law or by this Policy or by Ordinance. Notices written on the bill will not be effective.

XI. METER READING AND BILLING

Utility users will be billed once a month by the last day of each month for the preceding month's usage. Bills for water service will be based upon delivery as indicated by the HPUD's meter. Insofar as is practicable, meters will be read at regular intervals for the preparation of regular monthly bills, and meters will be read as required for the preparation of opening, closing, and special bills.

Except as otherwise specifically provided for in schedules of the rate Ordinance or unless an Agreement is in effect, if for any reason service is unmetered or the meter is in a locked compartment or otherwise cannot be read or fails to register correctly, water consumption may be estimated by the HPUD based on the following:

- 1) Previous consumption by metered service to the premises; or
- 2) The average consumption for the corresponding billing periods during which the meter is known to have registered correctly; or
- 3) The consumption as registered by a substitute meter; or
- 4) By giving consideration to the nature of use, volume of business, seasonal demand and any other factors that may assist in determining such consumption.

Proration of Bills

Rate schedule stated on a monthly basis are related to a 30-day consumption interval as a standard month. Whenever actual meter read intervals differ from a standard 30-day period, bills related thereto, computed from monthly schedules are subject to proration on a 30-day basis.

However, at the discretion of the HPUD, in computing and rendering regular bills, minor variances between actual read intervals and any established regular read interval need not be considered whenever actual read intervals do not vary by more than three days (greater or lesser) from the established regular read interval.

Whenever a change of the charges under a rate schedule becomes effective, bills shall be prorated with respect to the effective date of the change.

Payment of Bills

All bills are due and payable upon issuance, and payment shall be made at the offices of the Heber Public Utility District in person, by electronic transfer of funds, by mail, or by check or money order placed in the drop box at the Heber Public Utility District. Bills are delinquent 19 days after the date of issuance or as prescribed by law, this policy or Ordinance.

Customers, owners, and/or operators of residential property served through a master meter, who are unwilling or unable to pay for such service, subject the property to assessment and/or lien for the cost of such unpaid service as provided for by law, this Policy or ordinance, and thereafter, these costs shall be paid in the same manner as payment is made for other essential public service furnished to and benefiting real property.

Bills for connection or reconnection of service and payments for deposits or to reinstate deposits as required by the HPUD shall be paid before service will be connected or reconnected.

If a deposit is required and such deposit is not made, the HPUD may refuse or immediately discontinue water service to the applicant or customer.

Notice of Bill Dispute Hearing Procedure

Notice of the bill dispute resolution reading procedure provided for in this Policy shall be provided to the Customer.

Remittance Reversal Charge

Whenever a check is received by the HPUD in payment of billing for water, sewer or solid waste services, security deposits, or other charges, and when negotiated, said check is not paid by the issuing bank, the HPUD will assess an additional charge consisting of an amount to be determined from time to time by the General Manager.

Late Payment Charge

Whenever payment of a regular bill for water, sewer, or solid waste is received after 4:30 p.m. of the date specified on the original bill, a late payment charge, in an amount of \$15 may be assessed.

Attorney's Fees and Court Costs

In the event recourse to litigation is required against a Customer arising from nonpayment of charges for either utility service in addition to sums due and payable for utility services, the Customer shall be liable to pay reasonable attorneys' fees, as well as all court costs incurred by the HPUD in the litigation, whether it proceeds to judgment or not. The court shall, upon application by the HPUD legal counsel assess reasonable attorneys' fees in an amount sufficient for the HPUD to recover its costs incurred in pursuing the litigation.

In the event that an assessment and/or lien filing is required against property arising from nonpayment of charges for either master metered residential water service, in addition to sums due and payable, the property owner shall be liable to pay reasonable costs incurred by the HPUD for this action.

XII. BILL DISPUTE HEARING PRACTICES

Whenever the correctness of any bill, or part thereof, for water service or in cases where the correctness of other charges or practices of the HPUD is disputed by the Customer, the HPUD shall, upon request, conduct an investigation. This investigation shall determine if an adjustment is warranted.

The HPUD's bill is due and payable upon issuance and is delinquent if it remains unpaid 19 days after issuance. In order for a Customer to preserve the right to a dispute determination before termination of service, the request for a dispute determination must be filed in writing with the HPUD office within the 19-day period, and all undisputed amounts must be paid at the same time. The request for dispute determination will be resolved by the HPUD within 30 days for multifamily master-metered residential services and within 60 days for all other services by referral to the General Manager or Finance Manager empowered to resolve the dispute.

If after determination by the appropriate authority that all or a portion of the disputed amounts are due and the Customer disputes the findings, then the Customer may, within 10 days, and upon further written request, accompanied with payment of the entire outstanding bill, be granted a hearing before the General Manager.

Any payment that is not made as prescribed by this policy will terminate the Customer's right to a dispute resolution and will subject the service to termination or other methods of securing the payment in accordance with law or this policy or Ordinance.

Customer will be informed of the investigation, disputed bill procedure, and other HPUD practices required by this policy by a statement of the bill or by other appropriate prescribed methods.

XIII. DISCONTINUANCE OF UTILITY SERVICES

Discontinuance of Water, Sewer, and Trash Service at Customer Request

Each Customer who intends to discontinue responsibility for payment for water, sewer and/or solid waste services shall notify the HPUD specifying the date discontinuance is desired. Normally service may be discontinued on any regular working day if the HPUD receives advance notice of not less that one working day from the Customer. The Customer will be held responsible for payment for service furnished until one working day after the HPUD receives the Customer's notice or until the day specified in such notice, whichever is later.

Customer accounts are not closed automatically unless the new Customer for that service address submits an application for service. To close an account, the Customer must contact HPUD either in person at HPUD main office, by mail, or Internet, requesting that we close the service account. Customer must update their mailing address. HPUD requires two (2) working days notice to cancel your service.

Discontinuance of water, sewer and/or trash service by the HPUD

Nonpayment of Bills

A Customer's service may be discontinued for nonpayment of a bill for service rendered if said bill has not been paid within 19 calendar days after presentation, and a written notice of termination is thereafter first sent, except when specifically prohibited by law or this policy or Ordinance.

A Customer's service at a subsequent location may be discontinued for the nonpayment of a delinquent bill rendered for service at a previous location served by the HPUD.

If a Customer is receiving service at more than one location, service at any or all locations may be discontinued if bills for service at any one or more locations are not paid within the time specified above, provided, however, residential service shall not be discontinued because of nonpayment of bills for nonresidential service.

Noncompliance with Court Judgment

In addition to any other remedies available for nonpayment, when a judgment has been obtained from a court of competent jurisdiction for nonpayment of charges for either water, sewer or solid waste services and judgment is not satisfied within 30 days, with such interest as is allowed by law, the HPUD may terminate all service to the Customer against whom such judgment was obtained at any location where the Customer is served. In the event collection of the judgment is deferred under a payment plan approved by the HPUD, the Customer shall be considered to have one combined account for service, no matter how many Service Connections used. Failure to keep the combined account current by (i) not making the specified payments under the plan and (ii) not paying all

charges for current service, shall permit the HPUD to terminate all service at any location where the Customer is served.

Noncompliance with the HPUD Policy

If a Customer fails to comply with any of the HPUD Policy or rules, the HPUD will advise the Customer of such failure in the manner outlined in this Policy. After giving such notice, the HPUD may discontinue service to the Customer if the Customer fails to comply within the time specified in the notice.

XIV. TERMINATION OF SERVICE PROCEDURE

If a Customer fails to comply with any of the HPUD policy rules, the HPUD will advise the Customer of such failure. After giving such notice, the HPUD may discontinue service to the Customer if the Customer fails to comply with the time specified in the notice.

A written notice of impending termination will be provided at least 10 days prior to the proposed termination date. The notice will be mailed, postage prepaid, to the customer to whom the service is billed, not earlier than 19 days from the date of the mailing the HPUD's bill for services.

Not less than 48 hours prior to termination of service, HPUD shall give, by mail, in person, or by posting in a conspicuous location at the premises, a notice of termination of service.

XV. RECONNECTION SERVICE CHARGE

Where service has been discontinued for failure to comply with this policy or with provisions of the applicable rate Ordinance, the HPUD may charge and collect, in addition to other amounts due, a charge per meter, in an amount as determined from time to time by the General Manager for restoration of service.

In the event the Customer restores the service or allows or causes it to be restored after it has been discontinued, for either reason, the HPUD may again discontinue the service, and may charge and collect double the Service Restoration Charge per meter. In addition, for any further unauthorized restoration of service, the HPUD may collect appropriate charges to cover investigation expenses, expenses incurred in discontinuing and restoring the service and any other amounts due the HPUD before service was discontinued.

If the Customer restores the service or allows or causes it to be restored after it has been discontinued, the HPUD may remove the meter and/or the service and not reinstall it until such condition is corrected. The HPUD may collect appropriate charges to cover expenses incurred in investigating and discontinuation and restoration of the service.

XVI. RATES

The rates to be charged by the HPUD for water, sewer and solid waste services are those approved by adoption of an Ordinance by HPUD. Copies of these rates are available for public inspection at the HPUD office and at the HPUD's web site. www.heber.ca.gov.

In accordance with this policy titled "NOTICES" the HPUD will provide to all Customers written notification of proposed water, sewer and trash rate changes and new water, sewer and trash Customers with descriptions of existing rates.

In the event a new water, sewer or trash rate Ordinance is proposed, all Customers shall be notified of the date and locations of the public hearing where the proposed Ordinance will be considered at least 45 days prior to such hearing. Written protests to a proposed water, sewer or trash rate Ordinance shall be evaluated in compliance with the provisions of Articles XIII C and XIII D of the California Constitution, and the Proposition 218 Omnibus Implementation Act. In the event a new water, sewer or trash rate Ordinance is adopted, the HPUD shall cause the new rate Ordinance to appear in some daily newspaper which is published in the Imperial County. These actions constitute the HPUD's entire responsibilities for notifications to any Customer of changes in the rate Ordinance.

XVII. CAPACITY FEES

A capacity fee recovers the costs associated with providing additional water capacity and additional wastewater capacity to new users and existing users requiring additional capacity.

The HPUD Water and Wastewater Capacity fee is adopted by Ordinance. The Ordinance requires a fee to be paid by any Applicant requesting a new connection to the water distribution system and/or wastewater collection system, or to any Applicant who is requesting additional capacity as a result of any addition, improvement, modification or change in use of an existing connection. The Capacity Charge will be adjusted according to the adopted Ordinance establishing water and wastewater rates and capacity fees.

XVIII. TEMPORARY WATER SERVICE CONNECTIONS

A temporary supply of water for purposes other than extinguishing fires may be secured from existing fire hydrants on application in accordance with the provisions of this Policy. The Applicant shall designate the period of time and purpose for which water is to be used. The HPUD may discontinue the supply and remove its equipment at the expiration of the period so designated or if the supply is used for any purpose other than designated by the Applicant. The HPUD may require that a meter be installed and charge the applicable Ordinance rate for the service provided.

HPUD will install all equipment necessary to furnish a temporary water supply and no water shall be used until such equipment is installed and arrangements have been made to pay for water to be used. A back flow prevention devise may be required.

Applicant shall establish credit as provided in this Policy to secure payment of the HPUD's charges for furnishing, installation, removal, inspection, and rental of the equipment installed on a fire hydrant and charges for the water used. If credit is established by making a deposit, the amount thereof shall be sufficient to secure payment for water used and the other charges by the HPUD.

The fact that some fire hydrants may be already equipped with auxiliary valves shall not change the application of this Policy.

The Applicant shall not operate the main fire hydrant valve except in an emergency.

XIX. SERVICE CONNECTIONS AND CUSTOMER'S FACILITIES

General

Service connections will be installed by the HPUD subject to this Policy.

Size and Location of Service Connections

The HPUD may determine the minimum size and number of the Service Connections and their locations in relation to boundaries of the Premises to be served and the point of connection to the Customer's facilities.

All new Service connections must be designed, engineered, and constructed or rehabilitated according to the HPUD's adopted Standard Details and Specifications, and Engineering Standards.

Ownership and Absence of Rental Obligation

All Service Connections, meters and valves, and housings installed by the HPUD or conveyed to the HPUD however provided for, shall be the sole property of the HPUD under the control of the HPUD and will be maintained at the HPUD's expense except as otherwise provided in this Policy. No rent or charge will be paid by the HPUD where such facilities are located on a Customer's Premises. The HPUD may relocate its facilities as required by operating conditions and may remove any and all of its facilities from the Customer's Premises upon the termination of service.

Responsibility for Loss or Damage

The Customer will be held responsible for loss or damage to the HPUD's meters or other facilities resulting from the use or operation of appliances and facilities on the Customer's Premises, including but not limited to damage caused by steam, hot water, or chemicals.

Residential, Commercial, and Industrial Service Connections

Each house or building under separate ownership shall be supplied through a separate Service Connection. Two or more houses or buildings under one ownership and on the same lot or parcel of land may be supplied through one Service Connection, or a separate Service Connection may be installed for each building.

The HPUD may limit the number of houses or buildings or the area of land under one ownership to be supplied by one Service Connection. The HPUD may limit the number of Service Connections to any residential or other structure whether under separate or multiple ownership.

When property provided with a Service Connection is subdivided, the Service Connection shall be considered as supplying the lot or parcel of land which it directly enters. Separate service connections shall be required for the remaining parcels.

A Service Connection to Premises shall not be used to supply adjoining Premises.

Water Service Connection

The HPUD's control and responsibility ends at its meter, and the HPUD will in no case be liable for loss or damage on the Premises served, or elsewhere, caused by, or in any way arising out of, the running or escape of water from open faucets, burst pipes, faulty fixtures, or appliances on the Premises.

Every service connection is equipped with a control valve on the inlet side of the meter which may be used when necessary to shut off the water supply from the entire Premises. Upon request, day or night, the HPDU will operate such control valve for emergency purposes.

Meters

The HPUD shall furnish and maintain all meters.

- 1. The charge to the Customer for meters set by the HPUD shall be the cost to the HPUD for the meter and fittings plus applicable engineering and administrative costs.
- 2. When a change in size of an existing meter is requested by a Customer or a change is required because of a change in the type of service to be provided a Customer, the

HPUD will make such change at the Customer's expense provided the requested size complies with requirements of the applicable codes.

3. The charge to the Customer when a meter is relocated at the Customer's request shall be the cost of making such relocation.

Protection of Public Water Supply

The regulations of the State Health Department, Title 17 of the California Administrative Code, Sections 7585 through 7606, require that each water purveyor develop and implement a comprehensive Backflow Prevention Program for protecting the public water supply from contamination or pollution.

The HPUD has responsibility to protect the public Water System from contamination caused by the backflow of contaminants through the water Service Connection. If in the judgment of the HPUD an approved backflow prevention assembly is require, the HPUD or its authorized representative shall give notice to the Customer to install the approved assembly at the Service Connection to the Premises. The consumer shall immediately install the approved assembly or assemblies at his own expense. Failure, refusal, or inability on the part of the Customer to install, test, and maintain the approved assembly or assemblies shall constitute grounds for disconnecting water service to the Premises. Water service will not be restored until such conditions or defects are corrected to the satisfaction of the Department.

Quick-Closing Valves

A Customer shall not install any quick-closing valve or other equipment or devices which will cause excessive pressure surges in the HPUD's Water System. A violation of this subsection will be cause for immediate termination of service. The Customer will be liable for all damages resulting from the installation or use of any such equipment.

Sewer Service Connection

The HPUD's control and responsibility ends at the connection point to the sewer main line, and the HPUD will in no case be liable for loss or damage on the Premises served, or elsewhere, caused by, or in any way arising out of, the stoppage of sewer flow resulting from plugs or blockage, faulty fixtures, or appliances on the Premises.

The Customer is responsible for the cleaning, maintenance and repair to any sewer line, piping, and/or facilities that serves the Customer's Premises, and which connects to the HPUD's main line.

Customer Sewer Service lines that are located under public right of way will require permission from HPUD prior to any excavation, and a representative of HPUD must be on site during any excavation or repairs.

Sewer Overflow Emergency Response Plan

The HPUD adopted the Sewer Service Management Plan in September, 2010, which may be modified from time to time. The Customer must report any and all sewer stoppage to HPUD. Spills from the collection system are investigated to determine the cause and corrective actions are taken or recommended to prevent additional spills at that location.

Change in Customer's Equipment or Operations

A Customer making any major change in the water usage or operations which affects the HPUD's service shall immediately give the HPUD written notice of the extent and nature of the change. All new construction or rehabilitation must meet the adopted Standard Details & Specifications adopted by the HPUD.

The HPUD's Right of Ingress to and Egress from Customer's Premises

The HPUD shall have the right of ingress to and egress from the Customer's Premises at all reasonable hours for any purpose reasonably related to the furnishing of water service and the exercise of any and all rights secured to it by law or these Rules, including inspection of the Customer's piping and equipment as to compliance with HPUD Ordinances and this Policy.

Access to Facilities

A Customer shall provide and maintain reasonable access for HPUD representatives to all Service Connections, meters, backflow prevention devices, or other facilities pertinent to water service installed on the Customer's Premises.

XIV. METER TESTS AND ADJUSTMENT OF BILLS FOR METER AND UTILITY ERRORS

Meter Tests

Every meter will be tested at or prior to the time of installation. No water meter will be placed in service which fails to register within test flow limits required by HPUD specifications.

When a Customer questions the accuracy of a water meter, the HPUD will conduct an official test of the meter within a reasonable time after the Customer's request.

The Customer has the right to be present or represented at the duly scheduled time for the test. The test will be scheduled during regular working hours of the HPUD and conducted whether or not the Customer or representative of the Customer appears as scheduled for the test.

Utility Errors

When a HPUD error in billing is discovered on a current Customer's account and the date of its occurrence can be determined, the overcharge or undercharge will be computed back to but not beyond that date, but not in any event exceeding two years prior to the date of discovery of the overcharge or undercharge.

When a utility error extends back into a prior Customer's billing period:

- 1. Prorated refunds will be mailed to the prior Customer's current mailing address, or credited to the current account. If the prior Customer no longer has a HPUD account, either an attempt to locate the prior Customer will be made or the refund will be mailed to the prior Customer's last known mailing address.
- 2. In case of undercharges, if a closing bill has been rendered, it will be canceled and a corrected closing bill will be mailed to the prior Customer's last known mailing address. However, if the HPUD has not taken any action to correct the error within two years of the date of discovery of such error, the HPUD will not attempt to collect the balance due. If the account has not been closed by the payment of a closing bill, it shall be considered current.

XV. DETERMINIATION OF CHARGES, COSTS, DEPOSITS, AND INTEREST RATES

The General Manager is authorized and directed to determine, from time to time, the amount of the charge for the services, materials, costs, penalties, other charges, deposits and interest rates to be established pursuant to this Policy in order to enable the HPUD to recover the costs it incurs, including indirect costs, in providing services, materials, or work.

Said charges are to be determined by the General Manager based on the actual cost, including indirect cost, to the HPUD of providing the services, material or work, and provided further that such charges may be based on an average, over a given period of time, not to exceed one year, of the cost experienced by the HPUD for similar services, materials, and work, considering the size and type of facility to be installed or changed and according to the condition of installation or change.

The charge currently effective at the time of completion of any facility, installation, or change shall apply. If actual current costs exceed any amounts deposited in advance, the difference shall be billed to and paid by the Applicant. If actual current costs do not equal or exceed the amount deposited in advance, the difference shall be refunded to the Applicant; provided that any increase or reduction in charges shall not be applicable if the facility, installation, or change is completed within one year of the date of deposit for such charges. Where the Department has experienced any cost, including engineering or administrative costs, but the facilities and installations are not completed or begun

because of cancellation or abandonment of the plans, all such costs shall be deducted from amounts deposited in advance before any refund is made to the Applicant.

Any implementation or revision of said charges shall first be approved by the Heber Public Utility District Board of Directors at a regularly scheduled meeting pursuant to the applicable requirements of State law concerning the adoption of fees and charges.